REMARKS:

Claims 15, 17-22 and 24-33 are presented for examination, with claims 15, 24 and 33 having been amended hereby and claims 1-14, 16 and 23 having been cancelled, without prejudice or disclaimer.

Reconsideration is respectfully requested of the rejection (made in the November 30, 2005 Final Office Action) of claims 15, 19, 22 and 33 under 35 U.S.C. §103(a) as allegedly being unpatentable over "Livingston", "Financial Post", "Bella" and "Miller".

In an effort to expedite prosecution of the present application, and to aid in understanding of the invention, a descriptive overview of the invention as claimed in the sole independent claim follows. More particularly, the bond issuer issues a bond having a repayment obligation and a revenue stream. There is a requirement that the bond issuer establish revenue rates sufficient to pay the repayment obligation by the expected payment date, wherein the requirement includes establishing a revenue requirement based on a lower coverage ratio than is used for purposes of either a board policy associated with the bond or a rate covenant associated with the bond (of note, this lower coverage ratio aspect has been added to claim 15 from non-cancelled claim 23). The repayment obligation is then met by the expected payment date to the extent that funds are available. On the other hand, payment of the repayment obligation may be deferred as late as the legal maturity date to the extent that the repayment obligation is not met by the expected payment date due to the failure of the revenue stream to cover the requirements of the repayment obligation, notwithstanding the establishment of revenue rates by the bond issuer as required by the lower coverage ratio.

As seen from the above description (and as described, for example, at page 11, line 16 to page 12, line 13 of the specification), the claimed invention provides multiple levels of default protection. That is, the expected payment date and the legal maturity date provides one a mechanism to avoid default on the expected payment date by permitting payment deferral as late as the legal maturity date. In addition, the requirement directed to establishing a revenue requirement based on a lower coverage ratio than is used for purposes of either a board policy associated with the bond or a rate covenant associated with the bond provides an another level of default protection over and above that which would normally be associated with a bond.

It is respectfully submitted that none of the cited references (alone or in combination) teach, show or suggest the multiple levels of default protection of the presently claimed invention.

With regard in particular to the establishment of a revenue requirement based on a lower

coverage ratio than is used for purposes of either a board policy associated with the bond or a rate covenant associated with the bond, it is noted that the Examiner had asserted at pages 14 and 15 of the November 30, 2005 Office Action that Brigham discloses the step of establishing coverage ratios.

More particularly, the Examiner cited Brigham as follows: "Coverage ratios, which were discussed in detail in Chapter 3, often are used by lenders and rating agencies to measure the risk of financial distress".

It is respectfully submitted that such mention of the existence of coverage ratios used by lenders and rating agencies to measure the risk of financial distress simply fails to teach, show or even suggest the specific coverage ratio implementation currently claimed (i.e., the establishment of a revenue requirement based on a lower coverage ratio than is used for purposes of either a board policy associated with the bond or a rate covenant associated with the bond).

Of course, while the above discussion was directed primarily to independent claim 15, each of claims 19, 22 and 33 (which depend from claim 15) are submitted to be patentably distinct for at least the same reasons as the claim from which it depends.

Therefore, it is respectfully submitted that the rejection (made in the November 30, 2005 Final Office Action) of claims 15, 19, 22 and 33 under 35 U.S.C. §103(a) has been overcome.

Referring now to the remainder of the pending claims (i.e., claims 17, 18, 20, 21 and 24-32), reconsideration is respectfully requested of the rejection of each of these claims.

In this regard, it is noted that each of these claims depends, directly or indirectly, from independent claim 15.

Therefore, it is respectfully submitted that each of these dependent claims is patentably distinct for at least the same reasons as the independent claim from which it depends.

Accordingly, it is respectfully submitted that each rejection raised by the Examiner in the November 30, 2005 Final Office Action has been overcome and that the above-identified application is now in condition for allowance.

Finally, it is noted that this Amendment is fully supported by the originally filed application and thus, no new matter has been added. For this reason, the Amendment should be entered.

For example, support for the amendment to claim 15 regarding the coverage ratio requirement may be found in claim 23, as filed; at page 11, lines 9-11; and throughout the specification.

Further, support for the amendment to claim 15 regarding the failure of the revenue stream to cover the requirements of the repayment obligation, notwithstanding the establishment of revenue rates by the bond issuer as required by the lower coverage ratio, may be found at page 11, lines 16-20; and throughout the specification.

Favorable reconsideration is earnestly solicited.

Respectfully submitted,
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